77th OREGON LEGISLATIVE ASSEMBLY – 2013 Regular Session MEASURE: HB 2807 A **CARRIER:**

STAFF MEASURE SUMMARY

House Committee on Energy & Environment

REVENUE: Revenue statement issued

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and

Means by Prior Reference

Vote: 8 - 0 - 1

> Bentz, Boone, Dembrow, Johnson, Reardon, Vega Pederson, Weidner, Bailey Yeas:

Nays: 0 Whitsett Exc.:

Prepared By: Adam Crawford, Administrator

Meeting Dates: 4/11, 4/16, 4/18

WHAT THE MEASURE DOES: Requires Director of Oregon Department of Energy (ODOE) to determine revenues needed to fund activities and programs of Energy Facility Siting Council (EFSC) and ODOE and determine what amount is to be collected from each energy resource supplier. Requires ODOE Director to convene public meeting with energy resource suppliers and interested parties to provide accounting of projected revenue need to fund ODOE programs and project allocation of outlays. Reduces energy resource supplier assessment cap to .375 percent of supplier's total yearly gross operating revenue. Adds electronic medium to acceptable methods of ODOE Director order notification to energy resource suppliers. Requires energy resource supplier to provide to ODOE Director most recent fiscal year statement by May 1 of each year. Requires ODOE Director to convene advisory group. Provides advisory group membership guidelines, minimum number of year meetings to be held each year and policy areas to review. Modifies guidelines for ODOE intervention with federal government in state-related energy interests to require any intervention to be done at direction of ODOE Director. Requires ODOE Director to provide notification of intervention within 15 days of intervention. Transfers duties, functions, unexpended fund balances, records, staff and powers of EFSC to ODOE from Department of Administrative Services (DAS).

ISSUES DISCUSSED:

- Energy supplier assessment (ESA) history
- Use of ESA funds
- Assessment caps
- Advisory group composition and goals

EFFECT OF COMMITTEE AMENDMENT: Replaces measure.

BACKGROUND: The energy supplier assessment (ESA) is an assessment on utilities and energy suppliers that is not to exceed .5 percent of the assessed company's yearly total gross operating revenues. For much of the ESA's history, the amount assessed was between .05 percent and .07 percent of the assessed company's yearly total gross operating revenues. The funds raised through this assessment represent a significant portion of the Oregon Department of Energy's budget. House Bill 2807 A would add several measures to increase transparency related to the ESA, lower the maximum cap of the ESA and transfer the Energy Facility Siting Council from the Department of Administrative Services to the Oregon Department of Energy.